1502 Template FAQ - Frequently Asked Questions

Q. What type of loan portfolio can best be served by using this reporting solution?
A. Lenders who have unsold loans, whether or not their loans are subject to SBA fees. However, lenders may also use the template to report secondary market loans.

Q. If I return this diskette to Colson with my data, what do I use for next month's processing?
A. You should copy the template onto your hard drive and save it. When a monthly 1502 spreadsheet is required, make a copy of the template and save it as YYYYMM1502 (e.g., YYYYMM1502 = 2002011502 for January 2002). Enter all of your loan data and save the spreadsheet. Then e-mail the spreadsheet to 1502@colsonservices.com, or copy the spreadsheet onto a diskette for transmission to Colson.

Q. There is not sufficient room for all of our loans on the template. Do we need to use another diskette?
A. No. Insert as many rows as you need to accommodate all of your loans. Then copy a row (i.e., all of the columns across) from an original spreadsheet row to the newly inserted rows, so all the formulas contained therein are copied to the new row.

Q. I do not understand your instructions. Who can help me?
A. Call Colson Customer Service at (877) 245-6159.

Q. I do not have Lotus 97 or EXCEL Office 95. What can I do?
A. Consider upgrading to one of these software packages.

Q. I do not have e-mail. How can I submit data electronically to Colson?
A. You can mail a diskette to:
>Colson Services Corp.
>4 Chase Metrotech Center, 3rd Floor
>Brooklyn, N.Y. 11245
>Attn: Cash Processing.

Q. Is the template Year 2000 Compliant?
A. Yes.

Q. Can I include my sold loans on the spreadsheet?
A. Yes, but this template will not perform any guaranteed portion calculations for secondary market loans. You must calculate the guaranteed portion amounts that are due to the FTA and enter them on the spreadsheet.

Q. This reporting solution does not appear to address all of my needs. Where can I get information about the other reporting solutions?
A. Visit our web site www.colsonservices.com under the tab SBA Program Services/1502 Reporting/1502 Solutions, or call Customer Service at (877) 245-6159.

Q. Do I still have to report the guaranteed portion closing balance even though the fee has already been calculated?
A. Yes, in order to avoid receiving an error exception report, this column must be completed.

Q. What happens if I accidentally overwrite the formulas contained in the yellow columns?
A. Either copy the formulas from another cell that contains the formula; copy the formulas from your saved template; download another copy of the template from our web site; or request another template from Customer Service.

Q. How should I report the number of days on the form?
A. The template automatically indicates the number of days based on the "interest period from" and "interest period to" dates entered.

Q. How can the calendar basis be reported correctly on the form?
A. The calendar basis should be entered as one of the following:
- ? 30/360
- ? Act/365
- ? Act/360 (valid only for non-secondary market loans)

Q. How should I accurately enter the dates under the Interest From and Interest To columns?
A. January 5, 2002 may be entered as 1/5/2002 or 1/5/02 in the Excel version. Enter 4-digit years instead of 2-digit years when using the Lotus version, e.g., 1/20/2002 instead of 1/20/02.

Q. An error message appears when I enter 2/29 or 2/30 in the date columns?
A. Lotus may not consider these to be valid dates. 2/29 will be accepted as valid if it is a leap year. 2/30 will be accepted if the calendar basis is 30/360. However, you must precede the date entry with an apostrophe, e.g., '2/30/2000 instead of 2/30/2000, otherwise "********" will appear in the cell.

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Q. Excel is displaying an error message (#VALUE!) in a calculated field. What should I do?
A. Please review all entries made, beginning with the column titled Interest Rate. A fee calculation can not be performed unless all the columns are completed (with the exception of the penalty column).

Zeros, if applicable, must be entered in <u>ALL</u> currency-related fields

When entering a date in the Next Installment Due Date, Interest From and Interest To columns, ensure that the entry is made using a one-digit month, e.g., 2/DD/YYYY to avoid a (#VALUE!) message.

Q. Where can the guaranteed percentage of a loan be located?
A. The guaranteed percentage for a loan is provided on the "Loan Note Guaranty, SBA Form 529B", a copy of which you should have in your institution's files. This information is also available free of charge through our web facility *The 1502 Connection.* For more information, please visit us at www.colsonservices.com under the tab SBA Program Services/1502 Reporting/1502 Connection.

Q. When do I have to send the completed diskette to Colson?
A. Send the 1502 diskette and any funds due to the FTA so they are received by Colson on the <u>third calendar day</u> of the month, or the next business day thereafter if the third is not a business day, with an additional <u>two business day</u> grace period. Your 1502 submission must reflect all payments received, not received and any other pertinent loan activity for the preceding month.

Q. Where do I wire the funds for the amount indicated in the Total to FTA column?
   JPMorgan Chase Bank
   ABA ROUTING #: **021 000 021**
   FOR CREDIT TO: **COLSON SERVICES CORP.**
          7(a) COLLECTION
          ACCOUNT # 323-003184
   TEXT: BANK NAME AND PAYMENT INFORMATION

Q. How is SBA's 50 basis point fee calculated if a disbursement has been entered on the 1502 Form?
A. The fee calculation used is:
  Guar. Portion Interest / Interest Rate x .005

Q. How is SBA's 50 basis point fee calculated for fully disbursed loans?
A. The fee calculation used is:
  (Guar. Closing Balance + Guar. Portion Principal) x .005 / Basis x # of Days

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Q. How is SBA's 25 basis point fee calculated if a disbursement has been entered on the 1502 Form?
A. The fee calculation used is:

Guar. Portion Interest / Interest Rate x .0025

Q. How is SBA's 25 basis point fee calculated for fully disbursed loans?
A. The fee calculation used is:

(Guar. Closing Balance + Guar. Portion Principal) x .0025 / Basis x # of Days

Q. What do I report if no payment was received in the month?
A. You must still report guaranty balance and loan status information with the *SBA GP Number, Next Installment Due Date, Interest To date,* and the *Guaranteed Portion Closing Balance* as of the last payment received. Disbursement and Status information should be provided if applicable.

If you are entering guaranteed portion information, zeros, if applicable, must be entered in ALL currency-related fields (i.e., columns E, F, H, I, O).

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